

## 1.9 MOROCCO

### Country context and PAGE portfolio

Located in North-western Africa, Morocco is a lower to middle income country with an important service and manufacturing sector and a high share of the population engaged in agricultural activities. Situated in one of the most arid areas of the world, the country is vulnerable to climate change and recent weather patterns, with highly variable rainfall and recurrent droughts, producing severe environmental, social and economic consequences. Faced with several challenges, including increases in energy and food prices, depletion of natural resources, high youth unemployment, growing social inequality, and slowing GDP growth, Morocco recognized the importance of reframing economic policies around sustainable development.

Morocco's overall commitment to inclusive green economy transition is outlined in its 2017 National Strategy for Sustainable Development (SNDD) that aims to reconcile economic growth and promote social inclusion, protection and enhancement of the environment by 2030, as well as the New Development Model in 2021, that puts social equity and sustainability at the heart of all future government policies. Prior to PAGE, the Moroccan government had already started to roll out several green economy activities that achieved significant results in the areas of renewable energy, energy efficiency, water and waste management, sustainable agriculture and aquaculture, and eco-tourism.

With Morocco officially joining PAGE in 2020 – initially with the Ministry of Industry, Trade and Green and Digital Economy, but then with the newly formed Ministry of Energy Transition and Sustainable Development as the government focal point – the launch of the programme coincided with the outbreak of the COVID-19 pandemic.

Morocco reacted quickly to the crisis, securing USD 12 billion for recovery to boost the economy with a focus on building national industry. In this context, the Economic Watch Committee (CVE) of Morocco formulated a number of recovery strategies with significant green potential. These include i) the industrial recovery plan 2021-2023, whose third pillar in particular aims to position Morocco as a low-carbon and circular industrial base, ii) the Pact for Economic Recovery and Employment, and iii) a set of sectoral recovery plans. These recovery plans complement other sectoral approaches with strong green economy dimensions, for example, the Industrial Acceleration Plan 2021-2025 (*Plan d'Accélération Industrielle 2021-2025*). PAGE's targeted green recovery efforts are in line with these policy documents and emphasize green recovery of key industries.

At the same time, the country has been undergoing a deep rethinking in its development approach. The New Development Model - a set of guiding frameworks for economic, social and environmental growth – was reviewed in a national consultation process in 2019 and reemerged in 2021. Additionally, after general elections in 2021, several ministries and agencies were reshaped to tackle new and emerging priorities, with a new Ministry for Energy Transition and

Sustainable Development tasked with leading the development of green economy in Morocco and acting as the focal Ministry for PAGE. PAGE was therefore launched at an opportune time in Morocco, with green economy among the highest priorities. As such, PAGE is benefitting from an administrative “clean slate” that will encourage further cooperation, synergies and partnerships among PAGE partners and multiple national and international stakeholders.

## Progress in 2021

### Shaping green economy policies and green economy recovery (Outcome 1):

#### **Establishing the foundation for PAGE support**

A first Inception Meeting was held virtually on 29 July, bringing together key ministries and national agencies, PAGE agencies and key stakeholders to officially begin strategic planning in the country. This was the first of several virtual inception activities between PAGE agencies, representatives of government and key stakeholders to identify needs and demands, discuss the scope of the inception phase, initiate dialogue with a long-term perspective, and secure national engagement and ownership for the PAGE partnership. PAGE Morocco was initially launched with the Ministry of Commerce and Industry as the government focal point, however, following the 2021 general elections, the newly formed Ministry of Energy Transition and Sustainable Development became the new PAGE government focal point. The Head of Division of Partnerships at the Ministry of Energy Transition and Sustainable Development was officially appointed as the government focal point in January 2022.

The findings from the stocktaking study – to be completed in 2022 – will inform the identification of PAGE Morocco milestones and deliverables, the formulation of the annual work plans, and the results framework.

PAGE Morocco is also playing an active role in the establishment of the new United Nations Sustainable Development Cooperation Framework (UNSDCF), with focus on its first axis: an inclusive economic transformation and sustainability. PAGE was directly and actively involved in developing the first intended Result included in the United Nations Sustainable Development Framework (UNSDCF) for Morocco which states the following: *“Morocco’s economy is competitive, inclusive, and creates decent jobs, especially for women and youth, through a structural transformation based on sustainable development and resilience, including climate resilience.”* PAGE was also a key contributor during its development process, namely hosting a writing workshop for that specific Result in cooperation with the UN Resident Coordinator’s Office in January 2022.

#### **Building knowledge to inform green economy transformation**

PAGE Morocco set out – as one of its inception activities – to undertake a comprehensive stocktaking policy analysis of green economy initiatives in the country. The Stocktaking study will be developed under the guidance of the PAGE national steering committee, led by the Ministry of Energy Transition and Sustainable Development (PAGE government focal point), which is comprised of the Ministry for Economic Inclusion, Small Business, Employment and Skills, the

Ministry of Economy and Finance (MEF), the Ministry of Agriculture, Maritime Fishing, Rural Development and Water and Forests (MAPDREF), Ministry of Equipment and Water, the General Confederation of Moroccan Enterprises (Green Economy Commission), the Coalition for sustainable waste management and valorization (COVAD) the Moroccan coalition for water (COALMA), the Confederation of Democratic Workers (CDT – syndicate) and the Mohammed 6 Foundation for the Environment (FM6e).

The objective of the study is to map and capture information that can be used to track progress in Morocco's transition towards a green economy to identify main policy entry points to anchor PAGE support within existing plans, processes, and actors. The analysis will place specific focus on post-COVID-19 recovery by assessing the ongoing recovery plans in Morocco, including the industrial recovery programme post-COVID-19, and will include a chapter on greening the industrial sector. The study will also review policies, institutions and initiatives to identify opportunities to mobilize public and private financing for the green economy transition. It is expected that the study will be completed by mid-2022.

### **Strengthening green fiscal policy**

PAGE agencies and the Ministry of Economy and Finance (MoEF) started to collaborate on the development of a green fiscal policy and will initiate a national assessment involving key finance actors in Morocco (regulatory bodies, professional associations, institutions from the banking sector and relevant finance departments of key ministries) in early 2022 to identify the highest impact areas and priority sectors for pilot activities.

## **Shaping sectoral and thematic studies and policy reforms (Outcome 2):**

### **Supporting green entrepreneurship in the agro-ecological sector**

In July 2021, PAGE, in collaboration with the Ministries of Agriculture and Employment and other stakeholders, started a study on organic and agro-ecological value chains in the Rabat-Salé-Kenitra region with the aim to develop a green entrepreneurship training programme and ultimately boost green business development in the sector. Under PAGE, experts are analysing the potential for economic growth, job creation and the involvement of young people and the inclusion of women in the two sectors. The research, to be finalized in early 2022, will define current gaps and future skills requirements and provide practical recommendations for supporting the technical and vocational education and training system to improve their service offer.

## **Building institutional and individual capacity (Outcome 3):**

### **Foundational training on IGE and a green recovery**

In 2021, UNITAR, in collaboration with UNIDO, designed a foundational training on IGE, with a focus on effective green economy responses to COVID-19. The objective of the training is to reach a common understanding of the fundamental principles of IGE among key stakeholders, discuss opportunities and challenges for a green economic recovery in Morocco, and share experiences with other PAGE partner countries. The training will also be an opportunity for

national partners and institutions to become familiar with the objectives, scope and operational modalities of the PAGE project in Morocco. Thematic deep dive sessions will be led by the five PAGE agencies, including on fiscal reform (UNEP), industrial policy (UNIDO), entrepreneurship and jobs (ILO), regional development and urban governance (UNDP), as well as education and training (UNITAR). The training was delivered in January with the participation of over 45 institutions.

### **Raising awareness and building knowledge of IGE**

As part of a direct request from the government, through the national steering committee, PAGE is developing a communication strategy and plan for PAGE in Morocco. As a collaboration between UNDP and UNIDO, a communications expert will be hired to provide continuous support to all communication activities and actions that meet the specific needs and objectives of the project. The expert will make PAGE's activities and impact visible in Morocco, share good practices and improve the level of information and awareness among key actors on the importance of the transition to a green and inclusive economy to foster large-scale green economic recovery from COVID-19. The overall aim of the communication strategy is to ensure that PAGE Morocco meets and maintains an important audience at the national level while supporting efforts to familiarize all stakeholders as well as the general public on IGE concepts.